# Revised Request for Proposals Project-Based HUD-Veteran Affairs Supportive Housing Vouchers

The State of Maryland Department of Housing and Community Development (DHCD) is seeking proposals from qualified applicants to receive an allocation of Project Based HUD-Veterans Affairs Supportive Housing Vouchers (VASH). The purpose of this allocation is to enable homeless veterans to access affordable housing with an array of supportive services. All proposals will be evaluated on scoring criteria developed by DHCD. DHCD will select one proposal to submit to the United States Department of Housing and Urban Development (HUD) for consideration as part of a national competition. DHCD must submit its proposal to HUD by Friday, August 28, 2015. HUD issued Notice PIH-2015-11 on June 26, 2015 which provides additional detail regarding this national competition.

# Questions or Interpretations

Any request for interpretation or questions concerning RFP must be submitted via email to <u>Gregory.Hare@Maryland.gov</u> no later than 4:30 p.m. on Wednesday, August 5, 2015. DHCD will compile and distribute all inquiries and responses on our website at www.mdhousing.org

# Proposal Submission Deadline

All applications for Project-Based HUD-Veterans Affairs Supportive Housing Vouchers are due no later than **4:30 p.m. on Wednesday, August 12, 2015**. Applications should be submitted as detailed in this RFP to the DHCD Facilities and Fleet Management mailroom located at 7800 Harkins Road room 291, Lanham Maryland 20706 attention of:

Gregory Hare

Maryland Department of Housing and Community Development

Multifamily Housing Programs

7800 Harkins Road, Room 291

Lanham, Maryland 20706

301-429-7775 or 1-800 543-4505

Gregory.Hare@Maryland.gov

# Program Description Project-Based HUD-VASH Vouchers

#### A. Overview

As a qualifying PHA, DHCD is requesting owner/developers to submit an application for Project Based Vouchers (PBVs). DHCD will select the most qualified of those proposals based on the scoring criteria included in this packet for submittal to HUD for consideration as part of a national competition. DHCD must submit its proposal to HUD by Friday, August 28, 2015.

To enable DHCD to meet HUD's deadline, proposals from interested parties are due into DHCD by Wednesday, August 12, 2015, 4:30 p.m. At all times, the selected proposal is subject to the requirements of 24 CFR 983, implementation of the HUD-VASH Program (Operating Requirements) published in the *Federal Register* on March 23, 2012 and HUD Notices PIH 2010-23 and PIH 2011-50. Additionally, all proposals will be reviewed by DHCD in accordance with the requirements outlined in HUD Notice PIH 2015-11 which governs the national competition for VASH vouchers.

DHCD will offer up to 75 VASH housing choice vouchers to be awarded to one project.

#### **B.** Due Date

Proposals must be received by DHCD no later than **4:30 p.m. on Wednesday, August 12, 2015**. Proposals will be date stamped to verify receipt by the submission deadline. Proposals must be submitted to the DHCD Facilities and Fleet Management Mailroom at:

Maryland Department of Housing and Community Development Gregory Hare, Deputy Director, Rental Services 7800 Harkins Road, Room 291 Lanham, Maryland 20706

Applications should be submitted as detailed in this RFP. Questions concerning this RFP must be submitted via e-mail to <a href="mailto:Gregory.Hare@Maryland.gov">Gregory.Hare@Maryland.gov</a> no later than 4:30 p.m. on Wednesday, August 5, 2015.

## **C. Selection Process**

DHCD will employ the following process to determine which proposal will be selected.

- DHCD staff will review each proposal to ensure that it is complete. Incomplete submissions will be returned and will not be processed further by DHCD. Complete proposals will be submitted for scoring.
- All complete proposals will be scored by a scoring committee convened by DHCD.
- All proposals will be ranked according to their score. The highest scored proposal will be recommended and submitted to HUD for review as part of the National Competition.
- The selection of any PBV proposal is conditional and subject to approval by HUD in accordance with HUD Notice PIH 2015-11 issued on June 26, 2015.

## **D.** Eligibility Requirements

Proposed projects must be located in the State of Maryland within a 60 minute travel commute of a VA Medical Center (VAMC) or VA Community Based Outpatient Clinic (CBOC). Consideration will be given to other areas outside of the 60 minute commute if the VAMC supports the project and will provide the case management services. The scoring system gives preference to projects in closest proximity to veteran's services.

DHCD will accept proposals for newly constructed, rehabilitated, or existing housing

DHCD may attach PBV assistance for units in existing housing or for newly constructed or rehabilitated housing developed under and in accordance with an agreement to enter into a housing assistance payments contract that was executed prior to the start of construction. A housing unit is considered an existing unit for purposes of the PBV program, if, at the time of notice of DHCD selection, the unit complies with Housing Quality Standards.

A housing unit is considered newly constructed or rehabilitated units if developed in accordance with the PBV requirements found at 24 CFR Part 983 Subpart D, that will execute an AHAP and start construction within 18 months of the selection date, which is anticipated 60 days from the application due date to HUD.

To be eligible for project-based Section 8 rental assistance from DHCD, the following criteria must be met:

- Projects must be permanent housing. Emergency, temporary or transitional housing are not eligible for project-based rental assistance.
- If it involves rehabilitation or an existing rental property, the project must meet HUD HQS before a Housing Assistance Contract is executed.
- The units must be either independent units or non-independent living units that are Single Room Occupancy (SRO) units as defined by the federal Department of Housing and Urban Development (HUD) (24 CFR §982.4).
- Tenants must have a lease with a minimum term of one year.
- The rents that are charged must meet the DHCD rent reasonableness test.
- Tenants must meet HUD/VASH eligibility criteria.

• Tenants must be at least 18 years old or have been legally emancipated.

- Tenants must be homeless veterans referred by the VAMC using the "Housing First" approach.
- HUD prohibits the use of project-based Section 8 Housing Choice Vouchers for the
  following activities: shared housing; medical, mental or similar public/private
  institutions; nursing homes or facilities providing continuous care; psychiatric,
  medical or nursing facilities; board and care or Intermediate Care Facilities;
  manufactured housing; or coop housing.

<sup>&</sup>lt;sup>1</sup> *Housing First* is an approach where homeless persons, usually chronically homeless or especially vulnerable homeless individuals and families, are provided immediate access to housing and then offered the supportive services that may be needed to foster long-term stability and prevent a return to homelessness. This approach removes unnecessary barriers and assumes that supportive services are more effective in addressing needs when the individual or family is housed and the daily stress of being homeless is taken out of the equation. Key components of this model include a simple application process, a harm reduction approach, and no conditions of tenancy beyond those included in the lease. *Housing First* 

Projects receiving project-based Section 8 Housing Choice Vouchers will require an environmental review. A PHA, an owner, or its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities until an environmental review is completed.

## E. Environmental Review

Projects receiving project-based rental assistance from DHCD must undergo an environmental review under HUD's environmental review rules at 24 C.F.R. Part 58. HUD's environmental review rules prohibit an applicant applying for project-based rental assistance from DHCD from taking certain actions from the date DHCD receives the application until the completion of the environmental review process for the applicant's project. Completion of the environmental review process means that DHCD has completed the required environmental review of the project and that HUD has approved the release of the project-based rental assistance funds for the project.

## F. Housing Registry

Applicants will be required to provide all information required by DHCD and SocialServe to list their properties on DHCD's Housing Registry Website: www.MDHousingsearch.org.

# G. Fair Housing and Equal Opportunity

The applicant shall comply with applicable Federal and State laws, executive orders and regulations pertaining to fair housing and equal housing opportunity, including without limitation, Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. § 2000d et seq., 24 CFR Part 1), The Fair Housing Act, as amended (42 U.S.C. § 3601 et seq., 24 CFR Part 100-115), Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259), and Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq., 24 CFR Part 146).. Applicants are cautioned to be aware of the potential applicability of provisions of the Americans with Disabilities Act, federal Fair Housing legislation and Section 504 of the Rehabilitation Act of 1973 to any housing proposed for funding. Procedures for selection of residents, conditions of residency, and rules regarding termination may fall within the scope of this legislation. Providers must make reasonable accommodations of rules, policies, and procedures and may be required to allow reasonable structural modifications of buildings to be made, if necessary, to allow an individual with disabilities equal access to housing.

#### H. DHCD Non-Discrimination Notice

DHCD does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, age, physical or mental disability, or familial status in the admission or access to, or treatment or employment in, its programs, and activities. DHCD will provide appropriate communication auxiliary aids and services upon sufficient notice. DHCD will also provide this document in alternative formats upon sufficient notice.

specifically does not require sobriety or testing for substance abuse to obtain or sustain tenancy and thus must not be required in the lease. More information on *Housing First* is available at:

http://usich.gov/usich resources/fact sheets/the housing first checklist a practical tool for assessing housing first in1

## I. Right to Cancel

DHCD reserves the right to reject or cease processing any requests for PBV assistance prior to the execution of an AHAP or HAP contract.

# J. PBV Requirements.

All projects must be selected (see Section C), developed, and operated in accordance with PBV program requirements found at 24 CFR part 983, implementation of the HUD-VASH Program (Operating Requirements) published in the *Federal Register* on March 23, 2012, the requirements of Notice PIH 2011-50 (*Project-basing of HUD-VASH Vouchers*) and Notice PIH 2011-54 (*Guidance on the PBV Program*) and PIH 2015-11 (2015 National Competition).

## K. Submission Requirements.

• Completed Application using the format attached.

## L. Additional Terms and Conditions.

- DHCD expressly reserves the right to modify or withdraw this Request at any time, whether before or after any responses have been submitted or received.
- DHCD reserves the right to adjust the timetable for this Request as deemed necessary.
- DHCD reserves the right to reject any or all respondents and not to award a contract pursuant to this Request, or to terminate the Request process at any time, if deemed to be in its best interest.
- In the event the respondent selected does not enter into the required contract described in this Request, DHCD reserves the right to reject the respondent and to offer a contract to another respondent.
- In no event will any obligations of any kind be enforceable against DHCD unless and until a written contract is entered into.
- DHCD reserves the right to waive informalities and minor irregularities in proposals received.
- DHCD reserves the right to reject and not consider any or all respondents who do not meet the requirements of this Request, including but not limited to incomplete responses and/or responses offering alternate or non-requested services.
- Each respondent agrees to bear all costs and expenses of its response and there will be no reimbursement for any costs and expenses relating to the preparation of responses submitted or for any costs or expenses incurred during any negotiations.

# SCORING CRITERIA Project-Based HUD-VASH Vouchers

DHCD will be using the following criteria to score each eligible proposal. A maximum of 125 points may be awarded. DHCD's scoring criteria follow the HUD scoring criteria outlined in Section 6 of HUD PIH 2015-11.

## I. Project Readiness (30 Points)

The proposal must include a project timeline indicating major milestones including when

project units will be ready for occupancy:

- (30 points): Existing housing that will be ready for occupancy within 90 days of selection date for PBVs under this notice, which is anticipated to be 60 calendar days from application due date.
- (15 points): Newly constructed or rehabilitated units that will execute an agreement to enter into housing assistance payments (AHAP) and start construction within 18 months of selection date for PBVs under this notice, which is anticipated to be 60 calendar days from application due date.

# II. Participation in the Enhanced Use Lease (EUL) Program (30 Points)

An additional 30 points will be awarded if the project is being developed in coordination with the EUL program.

- (30 points): The project is being developed in coordination with the EUL program.
- (**0 points**): The project is not associated with the EUL Program.

## III. Supportive Services (10 points)

The proposal will be rated based on the following:

- (10 points) Appropriate, target population focused supportive services beyond case management are provided, funded and easily accessible to Veterans and well-coordinated with the local VAMC staff.
- (5 points) Supportive services beyond case management are provided but are limited, primarily off-site, not specific to the target population, unfunded as of application, difficult to access and/or not well-coordinated with VMAC staff.
- (**0 points**) There are no supportive services offered beyond VA case management. There is not a demonstrated relationship or coordination with the VAMC.

The proposal must include a statement indicating the projects accessibility to transit, the VAMC or CBOC, employment opportunities, and key neighborhood assets which must be identified, such as grocery stores, banks, libraries and parks and recreational facilities. This statement must include transit options for the immediate area, such as rail, bus, ride/bike share etc., and may include scoring indices for neighborhoods such as a Walk Score.

## IV. Housing First (10 points)

The project must comply with *Housing First*. The proposal must include a signed statement from the project owner that the project will comply with Housing First.

- (10 points) Occupancy policies or statements of purpose specifically do not require being clean and sober upon admission or to maintain their housing. Submitted policies will also demonstrate how negative exits will be avoided; how a respectful, ward and compassionate environment for Veterans to live in will be created; and how a recovery oriented environment will be created.
- (**0 points**) Submitted documentation does not reflect a commitment to *Housing First*, as outlined in the 10 point category

# V. Relative Need: Number of Veterans experiencing homelessness (30 Points)

- (30 points) Very high need is determined
- (15 points) High need is determined
- (5 points) Medium need is determined

# VI. Relative Need: Affordable Housing (15 points)

- (15 points) Area with low availability of affordable housing
- (**0 points**) Area without low availability of affordable housing

The successful applicant will be notified by written notice from DHCD. The notice will provide that the award is expressly conditioned on an award from HUD to DHCD for the funding in accordance with PIH notice 2015-11. The successful applicant will be required to agree to this at the time of DHCD's award to the applicant.

## **APPLICATION**

# PROJECT BASED HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING VOUCHERS

Please provide the following project information in the order presented:

**I.** The number of PBVs requested, which cannot exceed 75.

# **II.** A description of the proposed project including:

- A. Name and address
- B. Location by census tract
- C. Poverty rate of the census tract
- D. Total number of buildings
- E. Total number of units by bedroom size in each building and proposed rent and utility structure
- F. Number and bedroom sizes of requested HUD-VASH units in each building
- G. Community space and office space, that is on the property and available for use by VASH Veterans, VA services and other supportive services.
- H. Any HUD-VASH related supportive services on or near the premises
- I. Accessibility to VAMC, transportation and social and medical services
- J. Tenant selection criteria for VASH units
- K. Target population, if any, of any non HUD-VASH units including tenant selection criteria.

## III. Project Readiness

- A. Include a project timeline indicating major milestones including when project units will be ready for occupancy. Please indicate if the project meets one of the following:
  - Existing housing that will be ready for occupancy within 90 days of selection date for PBVs under this notice, which is anticipated to be 60 calendar days from application due date.
  - Newly constructed or rehabilitated units that will execute an Agreement to Enter Into Housing Assistance Payments (AHAP) and start construction within 18 months of selection date for PBVs under this notice, which is anticipated to be 60 calendar days from application due date.
  - For newly constructed or rehabilitated units, the applicant must provide a project timeline including these major milestones: (1) execution of Agreement to Enter into a Housing Assistance Payments contract (AHAP); (2) construction start date; and (3) execution of PBV HAP contract.

## IV. Enhanced Use Lease

Describe if the project is participating under an enhanced use lease agreement with the VA.

## V. Support Services including

- A. A description of any specific supportive services available from the VA and other local social service providers to support the residents of the project. The description must include the type of service, the name of the provider, the length of time the services will be available to each resident and how the services will be monitored.
- B. Project statement regarding accessibility to:
  - Transit, including a statement of options for the immediate area, such as rail, bus, ride share, etc.;
  - VAMC or CBOC (please provide travel time from the proposed project to the nearest VAMC or CBOC location);
  - Employment opportunities; and
  - Neighborhood amenities such as grocery stores, banks, libraries, parks, etc.
- C. Please describe other factors that address meeting the unique needs of a rural community (e.g. computer technology available onsite, resident service coordination, etc.)

## VI. Housing First

- A. Please provide a description of your experience with developing and managing supportive housing for veterans, homeless, elderly, and/or disabled families including number of projects, location and the level of services provided or coordinated that meet the requirements of *Housing First*.
- B. Please describe your existing relationships with community service providers.
- C. Please provide a certification that the project will comply with requirements of the *Housing First* model.

# I. Relative Need: Number of Veterans experience homelessness (30 Points)

- 30 points: Very High need is determined
- 15 points: High need is determined
- **5 points** Medium need is determined

## **II.** Relative Need: Affordable Housing (15 points)

- 15 points: Area with low availability of affordable housing
- **0 points:** Area without low availability of affordable housing

# **III.** Letter of Support

Please include a signed letter of support from the VAMC or Veterans Integrated Service Network's (VISN) **Director** and the **VA Network Homeless Coordinator**.

# **Appendices**

A. HUD Notice 2015-11